

Selection of Consultants

Mission:

**Review of Environmental & Social Risks and
Impacts associated to the project “Financing of
Solar Home Systems receivables in Ivory Coast
and Senegal”**

**For
NEOT OFFGRID AFRICA**



February 2022

Section 1. Letter of Invitation

Montrouge, February 7, 2023

Dear Sir or Madam:

1. The Grameen Credit Agricole Foundation has received the mandate and the funding from NEoT Offgrid Africa to select consultants toward the financing of the mission described below.
2. The Foundation now invites proposals to provide the following consulting services: **Review of Environmental & Social Risks and Impacts associated to the project "Financing of Solar Home Systems receivables in Ivory Coast and Senegal"**. More details on the services are provided in the Terms of Reference.
4. A firm will be selected under selection based on consideration of quality and cost (SBQC) and procedures described in this RFP.
5. The RFP includes the following documents:
 - Section 1 - Letter of Invitation
 - Section 2 - Instructions to Consultants
 - Section 3 - Terms of Reference

Yours sincerely,

Violette CUBIER, Programme Manager – Technical Assistance

Section 2. Instructions to Consultants

Data Sheet

Paragraph Reference	
1.1	<p>Name of the Client: Grameen Credit Agricole Microfinance Foundation represented by Violette CUBIER, Programme Manager, Technical Assistance and Philippe Guichandut, Head of Technical Assistance & Partnerships</p> <p>Method of selection: <u>selection based on consideration of quality and cost (SBQC)</u></p>
1.2	<p>Designation, objectives and brief description of the assignment are as follows: Review of Environmental & Social Risks and Impacts associated to the project “Financing of Solar Home Systems receivables in Ivory Coast and Senegal”.</p>
1.3	<p>The Client will provide the following outputs and deliverables : A holistic E&S Risk and gap analysis of the project and an E&S Management Plan to:</p> <ul style="list-style-type: none"> (i) Maximize Positive Impacts in line with the project Sustainable Investment Objective and related KPIs (ii) Minimize Negative Impacts both for the project investors (Sustainability Risks) and for other key stakeholders (risks for beneficiaries, employees, communities and the environment)
2.1	<p>Clarifications may be requested not later than <u>2</u> days before the submission date</p> <p>The address for requesting clarifications is: <u>Violette CUBIER / Philippe Guichandut, Fondation Grameen Crédit Agricole, 72 rue Gabriel Péri, 92120 Montrouge, France</u> <u>Tel: +33 1 43 23 47 02</u> <u>E-mail: violette.cubier@credit-agricole-sa.fr; philippe.guichandut@credit-agricole-sa.fr</u></p>
3.1	<p>Proposals shall be submitted in the following language: <u>English</u></p>
3.3 (i)	<p>The estimated number of professional staff-days required for the assignment is: 21 days.</p>
3.3 (ii)	<p>The minimum required experience of proposed professional staff is:</p> <ul style="list-style-type: none"> ▪ 10 years of experience in Environmental and Social risk assessments ▪ Experience in Solar Home Systems; ▪ Having conducted similar missions in Africa and, ideally, Ivory Coast and/or Senegal

3.3 (iii)	Reports that are part of the assignment must be written in the following language(s): <u>English</u>
3.4 (vii)	Training is a major component of this assignment: <u>No</u>
3.8	Consultants shall state their price component for cost incurred in Euro and if necessary in local currency. Consultants who intend to incur cost in other currencies for the assignment may state the corresponding price component in Euros.
3.10	Proposals must remain valid 60 days after the submission date.
4.3	Consultant must submit an electronic version of the Proposal (one document for the technical offer and one document for the financial offer). CVs of Consultants must not exceed 5 pages and the experiences/previous missions related to the current proposal must appear clearly.
4.5	<p>The Proposal submission address is: violette.cubier@credit-agricole-sa.fr and philippe.guichandut@credit-agricole-sa.fr</p> <p>Proposals must be submitted no later than February 26th, 2023 for a start date of the mission on March 20th, 2023 the latest.</p>
5.1	<p>The address for contacting the Client is:</p> <p><u>Violette CUBIER / Philippe Guichandut, Fondation Grameen Crédit Agricole, 72 rue Gabriel Péri, 92120 Montrouge, France</u></p> <p><u>Tel: +33 1 43 23 47 02</u></p> <p><u>E-mail: violette.cubier@credit-agricole-sa.fr ; philippe.guichandut@credit-agricole-sa.fr</u></p>
5.3	<p>Criteria, sub-criteria, and point system for the evaluation of Technical Proposals are:</p> <hr/> <p>i) Profile of the main consultant(s) :</p> <ul style="list-style-type: none"> - Knowledge and experience relevant to the assignments [0 – 30] - Similar experiences in the country / region [0 – 10] <p>Sub- total : [0 - 40]</p> <p>ii) Technical proposal :</p> <ul style="list-style-type: none"> - Global understanding of the TOR [0 – 5] - Level of critical analysis on the assignment [0 – 5] - Clarity of the proposal [0 – 10] - Proposed methodology [0 – 35] <p>Subtotal : [0 - 55]</p>

	<p>iii) Participation of nationals among proposed staff [0 – 5]</p> <p>The minimum technical score S_t required to pass is: <u>60</u> Points</p>
5.7	The single currency for price conversions is: <u>Euro</u>
5.8	<p>In case of SBQC, the formula for determining the financial scores is the following: $S_f = 100 \times F_m / F$, in which S_f is the financial score, F_m is the lowest price and F the price of the proposal under consideration.</p> <p>The weights given to the Technical and Financial Proposals are: $T = 0.8$, and $P = 0.2$</p>
6.1	<p>Address for contract negotiations:</p> <p><u>Violette CUBIER / Philippe Guichandut, Fondation Grameen Crédit Agricole, 72 rue Gabriel Péri, 92120 Montrouge, France</u></p> <p><u>Tel: +33 1 43 23 47 02</u></p> <p><u>E-mail: violette.cubier@credit-agricole-sa.fr ; philippe.guichandut@credit-agricole-sa.fr</u></p>
7.2	Expected location for commencement of consulting services: Senegal and Ivory Coast on field due diligence work.

Section 3. Terms of Reference

A. BACKGROUND AND RATIONALE

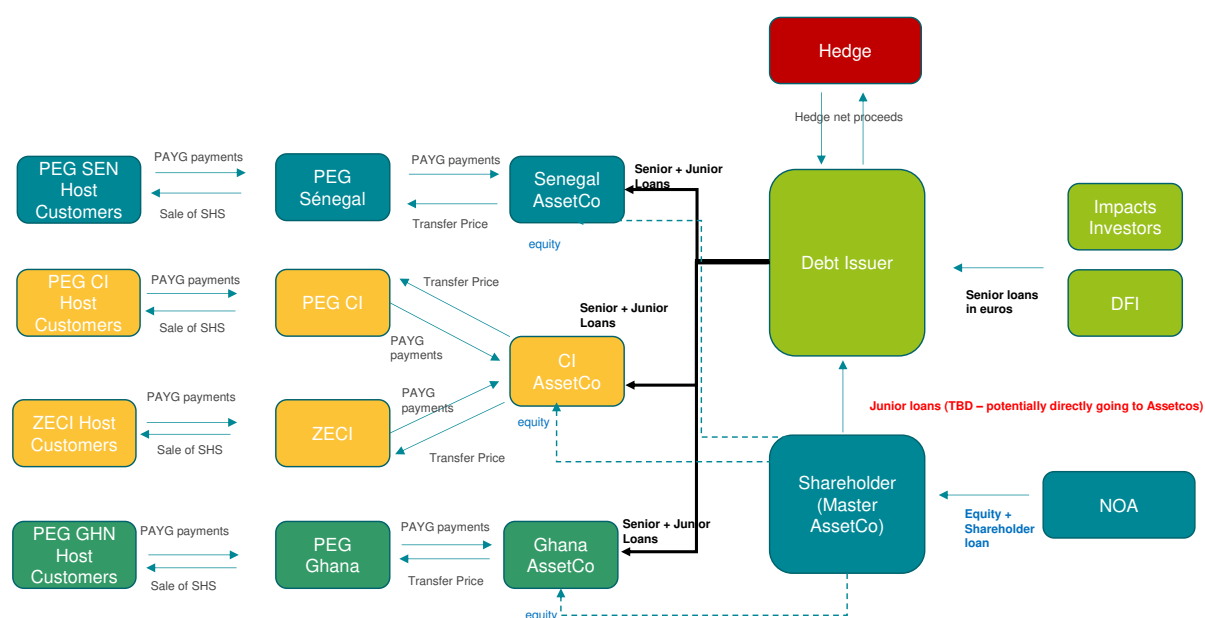
NEoT Offgrid Africa

NEoT Offgrid Africa ("NOA") is a French Joint-Venture (SAS) funded by Meridiam and EDF and chaired and managed by NEoT Capital. NOA is aiming to invest in the distributed renewable energies sector in Africa.

The Project

NEoT Offgrid Africa and its partners BBOX/PEG and ZECI, are considering the financing of receivables financing for solar home systems deployment, over two countries: Ivory Coast, and Senegal.

In each country, the project will be handled by one (two in Ivory Coast) local entity, one OpCo (two in Ivory Coast) that will import SHS kits and market and sell them to individual clients under Pay As You Go contracts (payments upon utilisation). After 2-3 years of payment, SHS kits and accessories belong to the client. When local OpCos originated a contract, the clients receivables is transferred to local AssetCos funded by the project impact investors.



NOTE February 2023: Ghana has been excluded from the scheme.

PEG Africa, founded in 2014, is one of the West Africa's largest and fastest growing SHS distributor. BBOX/PEG (or PEG) has one local Opco operating in the two countries. It is one of the West Africa's largest and fastest growing independent provider of distributed energy products and services (with

more than 100,000 kits already deployed). PEG has a footprint in 4 countries (Ivory Coast, Ghana, Senegal and Mali) where they sell multiple energy-enabled solutions (c. 22,000 systems deployed in 2020). PEG is currently exploring three segments: Solar Home Systems, Solar Water Pump systems, and Power systems (cooling). PEG buys its products from best-in-class suppliers (chosen based on customer needs, market trends and contract conditions) and focuses on distribution and services.

Zola Electricity Cote d'Ivoire ("ZECI") is a 50/50 joint venture between Electricité De France (EDF) and Meridiam, in Cote d'Ivoire, structured as an OpCo in order to deploy and service solar home systems in Cote d'Ivoire. The SHS comprise the solar kits and accessories such as lighting, fan, radio, TV. Solar kits and accessories are designed by ZOLA Electric, produced in China, and are assembled by Zola Electric in East Africa.

The pilot stage launched in Soubre District of Ivory Coast by ZECI has been ongoing since November 15th, 2016 and since then has rapidly spread to other operations with already circa 35,000 kits deployed as of now. ZECI benefits to a large extent from the vast previous experience of Zola Electric in East Africa (Tanzania and Rwanda) as well as from its' lessons learned, whereas EDF is managing relationship with authorities and financing of ZECI.

B. OVERALL OBJECTIVES

NOA is looking for an environmental and social advisory to achieve an exhaustive review of the project's objectives to:

- (i) **Maximize Positive Impacts** in line with the project Sustainable Investment Objective and related KPIs
- (ii) **Minimize Negative Impacts** both for the project investors (Sustainability Risks) and for other key stakeholders (risks for beneficiaries, employees, communities and the environment)

An Impact and ESG framework and management plan should be defined in anticipation of its investment and of their discussion with impact investors.

This E&S due diligence will comprise an E&S risk and gap analysis and an Environmental & Social Management Plan (ESMP) to support the Project company in managing E&S risks and impacts.

A staff from the Grameen Crédit Agricole Foundation (GCAF) will support the selected consultant, **as GCAF** will be the ESG and Impact Monitoring Agent of the project and will contribute to the definition of the ESG Risk and Impact project framework.

Positioning between the selected consultant and GCAF:

- **The selected consultant will take the lead on the mission and on the producing of the different deliverables.**
- **GCAF will offer a continuous support, particularly on:**
 - o **the documents' collection;**
 - o **the pre-identification of E&S key risks;**
 - o **the building of the Theory of Change including the pre-identification of positive impact outputs and outcomes.**

For its role of supporting party, GCAF relies on its own experience and expertise on E&S risk assessment, notably for having participated in a similar mission in 2017 in Ivory Coast, and for being E&S monitoring agent of ZECI in Ivory Coast.

The distribution of tasks will be defined more precisely, in agreement between both parties, at the beginning of the mission.

C. SPECIFIC OBJECTIVES

There are three main specific objectives.

1. To conduct an E&S risk and gap analysis
2. To propose a tailored Environmental and Social Management Plan (ESMP)
3. To define an impact framework with KPIs to be monitored

D. ACTIVITES

The E&S risks assessment need to be assessed against the applicable requirements, in particular:

- International Finance Corporation E&S Performance Standards (IFC PS);
- European Investment Bank E&S standards (EIB E&S standards);
- ILO Standard;
- CDC Standards;
- Host country laws, rules and regulations applicable to all Project phases and activities;
- International conventions and treaties adopted by the host country and applicable to the Project;
- And any other standards that may be relevant to this project

Such analysis shall not only aim at identifying these risks and gaps, but also at highlighting the E&S benefits of the Project.

Based on the E&S risks and gap analysis, the consultant shall propose a tailored ESMP for the Project, that shall be an E&S management tool for the Project Company.

It shall include E&S mitigation measures and management plans to be developed and implemented by the Project Company during the project lifecycle. It will be structured as follows:

- Introduction and context
- Objectives
- Summary of Project E&S risks and impacts
- Enhancement and Mitigation Plan (including recommended mitigation measures deriving from the E&S risk analysis, in table format)
- Any related monitoring program and schedule
- Any related questioner, forms and reporting templates
- Any areas where technical assistance is required
- Related Definitions of the various Projects stakeholders ESMP accountabilities

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- Related estimated costs

All documentation relevant to this analysis shall be reviewed and assessed. NEOt will make available this information to the advisory. Data available in the public domain shall also be included in the assessment.

This study needs to cover the two countries targeted by NOA on this transaction: Ivory Coast and Senegal.

E. EXPECTED RESULTS

- NEOt OffGrid Africa will have a clear vision and understanding of the Environmental & Social risks and gaps that the project of Solar Home Systems receivables will face in its implementation phase, helping them to contact potential impact investors.
- NEOt OffGrid Africa will have an ESM Plan that will be used during the life of the project and that will help them to monitor the E&S impact of the project.

F. DELIVERABLES

The key deliverables are as follows:

- E&S risk and gap analysis report;
- A tailored ESM Plan for the project
- An impact monitoring framework including positive impacts KPIs

Together with GCAF, NOA will be a signatory of the consultant appointment letters and will need to be able to rely on the final reports.

G. TIMEFRAME

- The consultant is expected to complete the work in one month maximum.
- Over the first half of March 2023 – starting date expected on March 6th, 2023, some specific due diligence points customary to an ESG scope review may be requested to be prioritized in the due diligence roadmap.